Brief List of Energy Efficiency, Renewable Energy, and Conservation Incentives and Information resources applicable to Four Corners area [NM, CO, UT, AZ] (also see accompanying brochures)

# **NEW MEXICO**

- ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT (NMEMNRD) Energy Conservation and Management Division develops and implements effective clean energy programs renewable energy, energy efficiency and conservation, clean fuels and efficient transportation to promote environmental and economic sustainability for New Mexico and its citizens. http://www.emnrd.state.nm.us/main/index.htm
  - o CONTACTS: Clean Energy Public Outreach Administrator: Jane Tabor, 505-476-3252, jane.tabor@state.nm.us
  - CLEAN ENERGY TAX INCENTIVES
    - Solar Market Development Tax Credit
      - The New Mexico Solar Market Development Tax Credit, or Solar Tax Credit (STC), works with the federal solar tax credit to pay up to 30% of your solar photovoltaic (PV) or solar thermal system. You can receive up to \$2,000 in a federal tax credit and up to \$9,000 in a state tax credit for your solar system. The STC was established in 2006 to help you invest in clean energy for your home or business. Additional info available here: http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/solartaxcredit.htm
    - Sustainable Building Tax Credit:
      - The SBTC is an income tax credit to encourage private sector design and construction of energy efficient, sustainable buildings for commercial and residential use. The tax credit is based on third-party validation of the building's level of sustainability. To certify a building, it is crucial to understand the certification requirements before designing the building. More information here:

        <a href="http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/sustainablebuildingtaxcredit.htm">http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/sustainablebuildingtaxcredit.htm</a>
      - For residential projects, a LEED® Silver certified 2,000 square foot home that is at least 40 percent more energy efficient than a home built to the standard building code can receive a \$10,000 tax credit. A new commercial building that is 50 percent more energy efficient than a typical building of the same type and achieves LEED® Gold certification can receive \$162,500 in tax credits. The tax credits will be available through 2013 and have an annual cap of \$5,000,000 for commercial and \$5,000,000 for residential.
    - Biodiesel Blending Facilities Tax Credit:
      - The Biodiesel Blending Facilities Tax Credit applies to the blending of biodiesel and is designed to assist the industry's preparation for the new requirement that, beginning in 2012, *all* diesel sold in-state will be "B5," meaning five percent biodiesel blended with 95 percent diesel fuel. More info here: <a href="http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/biodieselfacilitiestaxcredit.htm">http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/biodieselfacilitiestaxcredit.htm</a>
    - Solar Gross Receipts Tax Exemption:
      - The Solar GRT exemption is available for the sale and installation of a solar energy system. Info: http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/grossreceiptstaxexemption.htm
    - Hybrid Tax Exemption:
      - In New Mexico, individuals or businesses purchasing a new hybrid with a U.S. Environmental Protection Agency (EPA) fuel economy rating of at least 27.5 miles per gallon can receive a one-time exemption from the Motor Vehicle Excise Tax. (\$600-\$1,000)
      - The New Mexico tax exemption for new hybrid vehicles remains in effect for a five-year period ending June 30, 2009.
      - More info here: http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/hybridtaxexemption.htm
    - Energy Innovation Fund:
      - The Energy Innovation Fund, proposed by Governor Richardson and established with a \$2 million appropriation
        by the 2007 legislature, was created to accelerate innovation development to enable faster commercial adaptation
        of clean energy technologies in New Mexico. Info:
        - $\underline{http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/energyinnovationfund.htm}$
    - Clean Energy Projects:
      - The Clean Energy Projects (CEP) program was established pursuant to legislation passed in 2004. The CEP provides grants on a competitive basis for clean energy projects to public entities including municipalities, counties, state agencies, colleges/universities, tribal and pueblo governments, and public schools (k-12). Eligible clean energy projects include those related to renewable energy (solar, wind, geothermal, biomass), energy efficiency in transportation or in governmental buildings, and clean-burning transportation fuels such as compressed natural gas, ethanol and biodiesel. Many demonstrations of clean energy technologies have been funded. For additional opportunities through the CEP program, check ECMD's RFP page to see if current solicitations are available.
  - o RENEWABLE ENERGY: http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/renewableenergy.htm
    - Solar Energy info: <a href="http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/solar.htm">http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/solar.htm</a>
    - Wind Energy info: <a href="http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/wind.htm">http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/wind.htm</a>

- Wind Plants in NM
  - o 80 MW Caprock Wind Ranch south of San Jon
  - 120 MW San Juan Mesa Wind Project near Elida
  - o 90 MW Aragonne Wind Facility near Santa Rosa
- Resources Assessment
  - o New Mexico Wind Power Plant Site Screening Model
  - o Guidelines for Developers and Investors Interested in the Wind Energy Sector in New Mexico
  - New Mexico Wind Development Handbook
  - Mesa Redonda Case Study Report Executive Summary (includes environmental, archeological, cost estimating, transmission, permitting, geotechnical, micro siting, production, and visual information).
- Geothermal Energy info: http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/geothermal.htm
- Biomass Energy info: <a href="http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/biomass.htm">http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/biomass.htm</a>
- CLEAN FUELS and EFFICIENT TRANSPORTATION (Biodiesel, Compressed Natural Gas, Ethanol, Hydrogen)
  - Alternative Fuel and Advanced Vehicle Data Center State Incentives (NM): http://www.eere.energy.gov/afdc/progs/state\_summary.php/NM
    - Biodiesel Blending Facilities Tax Credit (see above clean energy tax incentives)
    - Alternative Fuel Vehicle (AFV) Research and Development Tax Credit
      - The Alternative Energy Product Manufacturers Tax Credit provides a credit against combined reporting taxes (gross receipts, compensating, and withholding) for manufacturing alternative energy products, which include hydrogen and fuel cell vehicle systems, and electric and hybrid electric vehicles. The credit is limited to 5% of qualifying expenditures, and manufacturers must fulfill job creation requirements to be eligible. (Reference New Mexico Statutes 7-9J)
    - Biofuels Tax Exemption
      - Under the Gross Receipts and Compensating Tax Act, the value of biomass materials used for processing into biofuels, biopower, or bio-based products may be deducted in computing the compensating tax due. Biofuels include biomass converted to liquid or gaseous fuels such as ethanol, methanol, methane, and hydrogen. (Reference New Mexico Statutes 7-9-98)
      - O Biodiesel Fuel Production Tax Credit provides tax incentives for production and sale of biodiesel in New Mexico provides a tax credit to a taxpayer who paid (or would have paid) the special fuel excise tax and files a New Mexico income tax or corporate income tax return is eligible to claim an income tax credit against tax liability for each gallon of blended biodiesel fuel. Blended biodiesel means at least two percent biodiesel used along with diesel fuel. The credit for each blended biodiesel gallon is applied on a sliding scale beginning January 1, 2007 and ending December 31, 2012 beginning at a rate of three cents (\$.03) per gallon in 2007 through 2010 and ending at one cent (\$.01) in 2012.
    - Hybrid Electric Vehicle (HEV) Tax Exemption
      - HEVs with a U.S. Environmental Protection Agency estimated combined fuel economy rating of at least 27.5 miles per gallon are eligible for a one-time exemption from the motor vehicle excise tax at the time the original certificate of title for the vehicle is issued through June 30, 2009. (Reference New Mexico Statutes 7-14-6)
    - Alternative Fuel Vehicle (AFV) and Fueling Infrastructure Grants
      - In addition, the Advanced Energy Technologies Economic Development Act established the Clean Energy Grants Program, which provides state grants for projects utilizing clean energy technologies and providing clean energy education, technical assistance, and training programs. Qualifying entities are municipalities and county governments, state agencies, state universities, public schools, post-secondary educational institutions, and Indian nations, tribes and pueblos. No single entity is eligible to receive more than \$100,000. (Reference New Mexico Statutes 71-7-1 to 71-7-7)
- GOVERNMENT LEAD BY EXAMPLE: New Mexico has assumed a nationwide leadership role in the advancement of beneficial and groundbreaking energy efficiency policies and practices. Executive Orders have been adopted to promote and implement policies regarding energy conservation, renewable energy development, the reduction of greenhouse gas emissions and energy efficiency measures. As part of New Mexico's "Lead by Example" initiatives set forth in Executive Order 2007-053, it shall be the goal of all Executive Branch state agencies to achieve a 20 percent reduction below 2005 levels in energy usage in state buildings for all Executive Branch state agency operations by 2015. It also shall be the goal of all Executive Branch state agencies to achieve a 20 percent usage reduction below 2005 levels in the state fleet and transportation-related activities by 2015 based on the average transportation-related energy usage per state employee. More information here:
  - $\underline{http://www.emnrd.state.nm.us/ECMD/GovernmentLeadByExample/governmentleadbyexample.htm}$
- LAWS, REGULATIONS, EXECUTIVE ORDERS:
  - $\underline{http://www.emnrd.state.nm.us/ECMD/LawsRegulationsExecutiveOrders/lawsregulationsexecutiveorders.htm}$
- o Laws, Fact Sheets, State Websites (2007-2008)

- State Regulations and Acts
  - PRC Rule 570 Interconnection of Qualifying Facilities
  - PRC Rule 571 Net Metering
  - PRC Rule 591 Standard Offer Service
- Executive Orders (2007-2008)
  - 2008-028 Establishing a Strong Telework and Flexible Work Hours Program to Help Reduce Fuel Use and Taxpayers' Costs
  - 2007-053 Increasing Energy Efficiency in State Government by 2015 and Statewide by 2012 and 2020
- o MULTIMEDIA: annual reports, brochures, current news, info videos, manuals, guides on RENG available here: http://www.emnrd.state.nm.us/ECMD/Multimedia/multimedia.htm
- o FORMS for Solar Tax Credit, Sustainable Building Tax Credit, and Biodiesel Facilities Tax Credit available here: <a href="http://www.emnrd.state.nm.us/ECMD/Forms/forms.htm">http://www.emnrd.state.nm.us/ECMD/Forms/forms.htm</a>
- Database of State Incentives for Renewables and Efficiency (DSIRE): see website for a full list for New Mexico http://www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=NM&RE=1&EE=1
  - Other Financial Incentives
    - Production Incentive
      - In March 2006, PNM initiated a Renewable Energy Credit (REC) purchase program as part of its plan to comply with New Mexico's renewable portfolio standard (RPS). PNM will purchase RECs from customers who install solar PV systems (up to 10 kilowatts in capacity) at a rate of \$0.13/kilowatt-hour (kWh) through 2018.
      - PNM will then be able to apply these RECs towards their obligations under the state's RPS (which requires 4% of the total generation capacity to come from solar electric by 2020). The program has funding for 1.2 megawatts (MW) of solar installations, at a cost of about \$2.8 million.
    - Energy Efficiency & Renewable Energy Bond Program
      - (New Mexico's Energy Efficiency and Renewable Energy Bonding Act, which became law in April 2005, authorizes up to \$20 million in bonds to finance energy efficiency and renewable energy improvements in state government and school district buildings. At the request of a state agency or school district, the New Mexico Energy, Minerals and Natural Resources Department will conduct an energy assessment of a building to determine specific efficiency measures which will result in energy and cost savings. A state agency or school district may install or enter into contracts for the installation of energy efficiency measures on the building identified in the assessment. An installation contract may be entered into for a term of up to 10 years. Effective 4/02/2007)
    - Several Utility Rebate Programs
  - O Rules, Regulations and Policies
    - Renewable Portfolio Standards
      - Investor-owned utilities: 20% by 2020;
      - Rural electric cooperatives: 10% by 2020
    - Mandatory Utility Green Power Option
      - In addition to meeting the requirements of the state renewables portfolio standard, New Mexico investor-owned utilities (IOUs) are required to offer a voluntary program for purchasing renewable energy to customers. IOUs are also required to develop an educational program communicating the benefits and availability of the green power option. (utility)
    - Net Metering
      - City of Farmington (2008)
      - New Mexico Investor-owned utilities and electric cooperatives (effective 12/31/1998)

#### COLORADO

- Governor's Energy Office: <a href="http://www.colorado.gov/energy/commercial/index.asp">http://www.colorado.gov/energy/commercial/index.asp</a> contains information on Colorado's programs for renewable energy and conservation rebates as well as incentives for the installation of renewable fuel stations. One focus is on the use of Performance Contracts. More information available here:
   <a href="http://www.colorado.gov/energy/commercial/performance-contracting.asp">http://www.colorado.gov/energy/commercial/performance-contracting.asp</a>
- Database of State Incentives for Renewables and Efficiency (DSIRE): see website for a full list for CO <a href="http://www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=CO&RE=1&EE=1">http://www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=CO&RE=1&EE=1</a>
  - o (CO continued) Clean Energy Fund:
    - In 2007, the Colorado Legislature appropriated money to the Governor's Energy Office (GEO) from the limited gaming tax and the severance tax to establish and maintain the state's Clean Energy Fund. All moneys in the Clean Energy Fund are continuously appropriated to the GEO for the purposes of advancing energy efficiency and

renewable energy throughout the state. The New Energy Economic Development (NEED) program receives its funding from the Clean Energy Fund, and provides grants, loans and other financial incentives to attract manufacturers of renewable energy and energy efficient products to the state.

• A total of \$350,000 was available during the first funding round, which ended December 14, 2007. It is anticipated that additional funding, totaling about \$650,000, will be available during a second competitive cycle starting February 15, 2008. Preference will be given to proposals that demonstrate the ability to provide substantial matching funds. (However, matching funds are not required if an applicant demonstrates sufficient need.)

# Rules, Regulations and Policies

- Net Metering
  - Yes, All IOUs and co-ops; munis with more than 5,000 customers (beginning 7/2/2006)
- Renewable Portfolio Standard:
  - Investor-owned utilities: 20% by 2020;
  - Electric cooperatives: 10% by 2020;
  - Municipal utilities serving more than 40,000 customers: 10% by 2020
- Mandatory Utility Green Power Option
  - Municipal electric utilities serving more than 40,000 customers in Colorado must offer an optional green-power program that allows retail customers the choice of supporting emerging renewable technologies. This policy complements Colorado's renewable portfolio standard (RPS), which requires municipal utilities serving more than 40,000 customers to use renewable energy and energy recycling to account for 10% of retail sales by 2020. (enacted 3/27/2007)

#### **UTAH**

- Governor's energy policy: <a href="http://www.utah.gov/energy/">http://www.utah.gov/energy/</a>
- Database of State Incentives for Renewables and Efficiency (DSIRE): see website for a full list for UT: http://www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=UT&RE=1&EE=1
  - Net Metering
    - City of St. George, Murray City Power, Washington City
    - Utah Investor-owned utilities and certain electric cooperatives (municipal utilities are excluded) (effective 5/6/2002)
  - Renewable Portfolio Standard (Municipal Utility, Investor-Owned Utility, Rural Electric Cooperative):
    - 20% of adjusted retail sales by 2025 (enacted 3/18/2008)

## **ARIZONA**

- Arizona Department of Commerce Energy Programs (http://www.azcommerce.com/Energy)
- Database of State Incentives for Renewables and Efficiency (DSIRE): see website for a full list for AZ: http://www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=AZ&RE=1&EE=1
  - Net Metering
    - APS, SRP, TEP allow with some conditions
  - Renewable Portfolio Standard (Utility):
    - 15% by 2025 (effective date 6/15/2007)

#### SAN JUAN PUBLIC LANDS CENTER

- Solar Panels and new energy efficient AC (Coolerado system) at Pagosa Ranger District
- Recent energy audits for all Forest Service-owned buildings
- Occupancy sensors
- Turn off the light signs for unoccupied rooms without sensors
- All new FS/BLM buildings will be built to LEED standards
- Dolores Ranger District Office energy efficient cooling, natural daylighting, structural insulation panels
- All bunk houses retrofitted energy efficient lighting and energy star appliances

## Other Links to Information:

US DOE Energy Efficiency and Renewable Energy: http://www.eere.energy.gov/

US EPA Energy Star: http://www.energystar.gov/

Also see brochures on outreach materials/networking table